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April 28, 2019

Via ECF and Hand-Delivery

Hon. Edgardo Ramos
United States District Judge
Thurgood Marshall United States Courthouse
40 Foley Square
New York, NY 10007

RE: *SEC v. Honig, et al.*, Case No. 1:18-cv-08175-ER (S.D.N.Y.)

Dear Judge Ramos:

We represent Defendants Michael Brauser and Grander Holdings, Inc. (“Brauser”) in opposing Plaintiff’s (“SEC”) letter request for a six week adjournment of the briefing schedule for all of the remaining Defendants’ Motions to Dismiss.

The SEC’s statement that Brauser takes “no position on whether the Court should grant Honig an adjournment” omits that, in context, Brauser’s position was stated as: “Brauser does not object to Honig taking an extension *provided that it does not result in a delay for Brauser.*” After that omission, the SEC requests “that the Court push back the briefing schedule for *all parties*” thus “minimizing the number and redundancy of the briefs” (emphasis added).

The SEC and Defendants have previously stipulated, and the Court has provided, for *separate* briefing by each defendant. *Stipulation and Order*, ECF No. 65 at pp. 1-2, 10. This is, of course, because courts are “required to analyze each defendant separately” on motions to dismiss securities fraud claims against multiple parties. *IBEW Local v. Deutsche Bank AG*, No. 11 Civ. 4209 (KBF), 2013 WL 122384, *14 (S.D.N.Y. 2013).

The continued pendency of these claims, by their very nature, imposes a pre-judgment penalty on defendants. *See, e.g., Lowenfels, SEC Investigations*, 45 ST. JOHN’S L. REV. 575, 576 (“[T]he very initiation of an investigation by the [SEC] under the securities acts is a substantial sanction on the investgatee.” If, as will be laid out in

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Brauser's motion to dismiss, the SEC fails to state securities fraud claims against Brauser, then the complaint against him should be dismissed sooner rather than later.

Thus, it is respectfully requested that the Court deny the SEC's request for an extension of the briefing schedule as to Brauser.

Respectfully,

A handwritten signature in black ink, appearing to read "Dennis Richard", with a stylized, cursive script.

DENNIS RICHARD

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